

The Odisha Gazette

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[458-IV(A) SM-85/2011/SM.]

STEEL & MINES DEPARTMENT

RESOLUTION

The 9th January, 2015

1. The Cabinet, in its meeting held on 5th January, 2015, has decided that there is a need to bring a systemic change in allocation of mineral resources of the State through a transparent policy which will ensure maximum revenue generation to fund the development needs of the State, create job opportunities, promote the use of modern technology and ensure optimal utilisation of mineral resources. Accordingly, it has been decided to allocate mineral resources through a transparent competitive bidding process, while taking note of the requirements of the domestic industry engaged in value addition and the need for a fair and equitable distribution of the mineral wealth as well as the commitments made by the State for the upcoming mineral based industrial projects.

2. After careful consideration, Government have been pleased to resolve that all major mineral concessions (PL/ML) except coal will be disposed of by Government of Odisha through public auction to the highest bidder for respective category, i.e., captive and non-captive users.

3. The public auction, however, will not be made applicable to :

- (i) Those leases that have already been issued grant orders and are awaiting execution of lease deed by the State Government after being approved by the Centre, as applicable, on the State's recommendation, as per the terms and conditions of the MMDR Act, 1957; provided that such lease deeds shall be executed by the grantees within the specified time limits as per law. In case of failure to execute the lease deed within the specified period, the grant order shall be liable to be revoked;
- (ii) Those mining leases that are awaiting the approval of the 1st Renewal;
- (iii) Those mining leases that have already been granted Express Orders for renewal under section 8(3) of the MMDR Act, provided that they execute the

lease deed after fulfilling the statutory requirements within the specified time period;

- (iv) All the existing leases of the Odisha Mining Corporation and all other State and Central Public Sector Undertakings;
- (v) Such other applications for which the State Government has already recommended prospecting licence / mining lease to Government of India in pursuance of an agreement or Memorandum of Understanding for allocation of Prospecting License / Mining Lease, provided the applicant has substantially fulfilled its obligations in terms of such instrument of understanding or agreement, in the opinion of the State Government.

4. All other leases of major minerals awaiting 2nd or subsequent renewals will be put up for public auction along with virgin areas, determined and lapsed leases.

5. In case of any doubt as to whether any of the cases falls in the exempted categories under paragraph 3, the matter will be referred to the Inter-Departmental Committee constituted vide Notification No. 7415/SM., dated the 9th October, 2012 and the Government shall take a decision thereon after considering the report of the Committee. The terms of reference of the Committee may be modified appropriately.

6. All pending applications for major mineral concessions (except coal) (PL/ML) will be disposed of in conformity with the above policy decision of the Government.

7. The Resolution No.7264-IV(AB)-SM-10/2011/SM., dated the 3rd October, 2012 and Resolution No.6899-IV(B)-SM-08/2012/SM., dated the 18th September, 2012 stand superseded.

8. In order to encourage competition and to ensure a more broad-based and equitable distribution of mineral resources, the State Government may limit the area of mining lease to be allocated to a single non-captive entity to a reasonable limit even below the ceiling of 1000ha prescribed in the MMDR Act. The exact ceiling will be decided in due course.

ORDER

Ordered that this Resolution be published in an Extraordinary issue of *Odisha Gazette*.

By orders of the Governor

R.K.SHARMA
Principal Secretary to Government